general way by the Committee appointed some time ago to revise the curricula of studies in vernacular schools for boys, and it will have to be closely examined with the help of official and non-official advice before any definite decisions can be arrived at. You may, however, rest assured that Government are keenly alive to the immense importance of industrial and technical education as a factor in the material uplift of the youth of this country.

12. Commercial Instruction.—Connected with the question of technical education is that of imparting instruction in such subjects as commercial correspondence, book-keeping and accountancy. It will be recognised that a large demand has been created for the services of men trained in such subjects by the revival of business and the rapid extension of the joint stock movement, and it is but right that the State should help the movement by creating facilities for the requisite training. With a view to decide the lines on which action should be taken in this direction, I propose to hold a conference of commercial gentlemen at Alleppey at an early date, and I may tell you that the occasion of that conference will also be utilised for the ascertainment of local non-official opinion on the more important industrial problems that are awaiting solution.

13. Banking.—The question of increasing banking facilities which are so essential for the promotion of industries and trade is also engaging the serious attention of Government. They are aware that private enterprise has not been inactive in the matter of creating such facilities ; but it is the duty of the State to stabilise this enterprise by the exercise of close and effective supervision. It is with this view that the hands of the Registrar of Joint Stock Companies have been recently strengthened by the appointment of an auditor. There is a vague expectation that the State should help every private banking concern with funds. It will afford Government no small pleasure to encourage a really good banking concern with a deposit, but it is idle to expect the State to risk public money in investments with banks of doubtful solvency. It is also open to doubt whether the limited encouragement the Government could afford in this direction would adequately meet the growing needs of commerce for money. A far better way of accomplishing this object would be to help the creation, if possible, of a State-aided bank of sufficient magnitude under satisfactory guarantees, and it is with a view to come to a decision in this matter that orders have been recently issued deputing one of the Assistant Account Officers of the State to Baroda and Mysore to acquaint himself with the working of similar banks in those States and submit his recommendations. Government feel that they should avail themselves of this opportunity to impress on the public the undesirability of starting, as has largely been the case recently, banks with a large nominal capital, but with a very low paid-up capital. Such banks can really be of no use to the country as they can neither win public confidence nor attract working capital in any appreciable measure. Government note in passing that this defect and the allied defect of insufficient reserves are the marked features of co-operative banking also in this country.

14. Co-operation.—I have already made a passing reference to the activities of the Co-operative Department with reference to agriculture, and I must say now that this department has not yet exhibited much vitality nor has it made appreciable headway among the classes of the people whom it can most benefit. Its financial basis is not sound, and its operations, which are very limited, are practically confined to credit. The only central society in the State, *viz.*, the Trivandrum Co-operative Bank, has been very slack in recovering its loans and in building up an adequate reserve. The movement has not been conducted on approved lines, and it has so far had little more than a haphazard existence. A considerable amount of spade work is essential, and the lines of operation and development most suited to the country remained to be chalked out. If co-operation is to serve the best interests of the country, it should stimulate production, bring about the development of cottage industries, both agricultural and non-agricultural, and succeed in eliminating the middleman. These objects cannot be achieved without a thorough co-ordination of the activities of this department with those of agriculture and industries. The present Registrar of Co-operative Societies is handicapped by his lack of practical training

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in co-operative work, while the system of recruiting inspectors, who form the backbone of the department, cannot be considered free from defect. The work that lies ahead for the department is difficult and complicated, and Government are giving their most careful consideration to the whole question.

15. Geology.—The Department of Geology is an indispensable handmaid to the Department of Industries, and more especially so in a country like Travancore, which is believed to have vast potential mineral resources. This department, although manned by an expert whose knowledge of Geology and applied Chemistry is up-to-date, has not been working on economic lines, and has been rendering but little contribution to the acceleration of industrial expansion in the State. Government have recently issued instructions to the State Geologist to change his methods of work, and instead of confining himself to scientific research, to supplement it by an examination of the chief mineral resources of economic value, and to submit practical proposals for the industrial utilisation of such resources. The staff of the Geologist will be so strengthened as to enable him to carry out this work side by side with the conduct of scientific research.

16. Excise.—I do not propose to detain you long on the subject of Excise. This Department, as I have already said, did exceedingly well under Mr. N. Raman Pillai, the late Commissioner, and is run on approved lines, and no radical changes appear to be called for in the methods of its work. A great deal has already been done to give an impetus to the manufacture of home salt, and about 150 acres of land have recently been added to the salt-producing area of the State. Nothing appreciable, however, has been done to prevent the deterioration of the existing salt pans as a result of the percolation of water from the Kodayar channels. This question has now been taken up for solution by the Government and orders have been issued for the execution of the works necessary for keeping off such water from the salt pans.

17. Arrack and Molasses.—There is one direction in which Government propose to co-ordinate the work of the Excise Department with that of the Department of Industries. This consists in the introduction of a change in the method of arrack distillation in the Government distilleries and especially in the one at Nagercoil. Government are anxious that the very considerable quantities of sugar-cane and palmyra jaggery available in the country should be utilised locally in the manufacture of sugar, and that the distilleries should distil arrack from the waste molasses obtained in the sugar-refining process, in lieu of the present wasteful method of distilling it direct from jaggery. With a view to accomplish this object, Government are inducing capitalists to start a State-aided sugar-refinery, the molasses from which may be taken over by the Government distilleries.

18. Forests.—The Forest Department is one of the major departments of the State, and its activities proceed on well-regulated and well-recognised lines. No important changes are therefore necessary in the matter of its administration. One or two defects, such as the sale of timber-growth by coupes, which were the features of the administration of this department by his predecessor in office, have already been rectified by the present Conservator. The contribution by the Forest Department to the State exchequer which averages Rs. 15 lakhs a year cannot, however, be said to be adequate when the richness and the vastness of our forest area are considered, and the direction in which future action is clearly called for is the utilisation, to greater effect, of the economic resources of the forests and the adoption of methods of accelerating natural regeneration, including the replacement of forest products extracted for economic purposes. In other words, an economic survey of our forests has become a matter of imperative necessity, and such survey, in order to be useful, must be undertaken by a forest economist of proved ability and experience. Having ascertained the economic value of the several forest products together with the extent of their available supply, it will be the turn for the Forest Utilisation Officer to suggest measures for the conversion of those products into marketable articles, and the Sylviculturist will have to suggest measures for the recuperation of the exploited forests. The Madras Government and the State of Mysore have been for

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